



Expertise
and insight
for the future

Napasorn Vattananun

Re-Design Customer Experience Measurement Tool for Food Retail Business

Metropolia University of Applied Sciences

Master's degree of Business Administration

Business Informatics

Thesis

Date 24.11.2019

Author(s)	Napasorn Vattananun
Title	Re-Design Customer Experience Measurement Tool for Food Retail Services
Number of Pages	58 pages + 3 appendices
Date	24 November 2019
Degree	Master of Business Administration
Degree programme	Business Informatics
Specialisation Option	
Instructor(s)	Antti Hovi, Senior Lecturer
<p>The objective of this thesis was to re-design the customer experience measurement tool for retail food business at a Finnish food service & catering company. The company was struggling with their customer experience, resulting in a loss of sales and profits, as well as competitiveness in the previous years. The study was commissioned to investigate why the company failed to enhance customer experience and to suggest an approach to re-design the customer experience measurement tool as part of the customer journey.</p> <p>This thesis was carried out as an action research. Both qualitative and quantitative methods were used. Within the scope of the current state analysis, qualitative research data was gathered through eighty contextual interviews with potential customers and two contextual interviews with service managers, to gain more in-depth information.</p> <p>The outcomes of the interviews confirmed that the company was struggling to improve customer experience systematically and measurable. The majority of the respondents were not familiar with the current customer experience measurement tool. In addition, over seventy percent of the respondents missed the incentive to give feedback. The respondents felt that their feedback was not passed on. The customer journey did not collect data nor create a definite attempt to personalize.</p> <p>The author suggests the company to integrate the re-design of the customer experience measurement tool as part of their service. It would help the company to better measure and execute customer experiences through the specification of the detractors throughout the customer journey, the prediction of future customer behaviors, and the reflection of customer loyalty. The author recommends that the case company should always communicate with customers, update key performance indicators, and matter customer's opinions.</p>	

Keywords	Customer Experience, Re-design, Customer Experience Pillars, Food retail, Customer Experience Measurement tool, Applied Development research
----------	--

Contents

1 Introduction	1
1.1 Overview	1
1.2 Business Challenge	1
1.3 About Case Company	2
1.4 Objective, Scope & Thesis Outcome	3
1.5 Key Terms/Concept	3
1.6 Thesis Outline	3
2 Research Design	4
2.1 Research approach	4
2.2 Research design	5
2.3 Data collection and Analysis	6
2.4 Validity and Reliability	8
2.4.1 Validity and reliability of the thesis	8
3 Existing Knowledge and Literature	8
3.1 Customer Experience definitions and Measurement practices from Literature	9
3.2 Conceptual framework	13
4 Current State Analysis	14
4.1 Current state data collection and analysis	14
4.2 Current state customer experience measurement tool	17
4.3 Current state analysis overall findings	19
4.3.1 Customer segments and threats	19
4.3.2 Current usage of measurement tool	20
4.3.3 Service coverage and customer pain-points	21
4.3.4 Overall profitability performance of the service	23
4.3.5 Management Model	24
4.4 Key findings Current State Analysis	25
5 Future state definition	25
5.1 Future state Key Performance Indicators KPIs	26
5.2 Research future state needs and findings	30
5.3 GAP findings from current state to future state	32
5.3.1 Customer base	32
5.3.2 Equipment	34
5.3.3 Service Coverage	35
5.3.4 Organization	35
5.3.5 Information system	36

6 Customer Experience Measurement Tool Proposal	36
6.1 Customer Experience Measurement Tool Proposal	36
6.2 Brand Experience	46
6.3 Service Experience	47
6.4 Post-purchase Experience	48
7 Validation of the Proposal	51
7.1 Final Proposal	52
7.2 Recommendation for the Implementation	52
8 Discussion and Conclusion	55
8.1 Summary	55
8.2 Evaluation of Thesis	56
8.2.1 Outcome vs Objective	56
8.2.2 Reflection and Afterword	57
References	59
Appendices	
Appendix 1 Interview Questions	
Appendix 2 Raw Data Collection	
Appendix 3 Service Blueprint	
Appendix 4 Customer Experience Measurement Tool Screen-by-Screen	

1. Introduction

Customer experience is the whole set of the puzzle, ranged from customer actual, anticipated purchase, and consumption experience, which enhances customer satisfaction and retention. The retail food service in Finland is very competitive. To stay in the leading position, the company needs to know what enhance and detract customer experiences at every point of service journey and come up with the right measurement tool as part of the service. Innovation and technology are involved in the design process of the Customer Experience measurement tool. Four keys behind the success of the re-design of customer experience measurement tools are the concentration and commitment to the measurement priorities, inspiration, and collaboration of teamwork, the monitoring of progress, and the empowerment of people.

1.1 Overview

Many factors affect customer's decisions to purchase, not solely against the price. It is the company's responsibility to know their customers better, satisfy their demands, and make them stay loyal. Customer's voice has a significant impact on business performance. The Customer Experience measurement tool will help the company improve customer experience systematically and measurably. Ability to be in demand and better ability to satisfy customer's requirements than other competitors can at least guarantee a standing place in the industry.

1.2 Business Challenge

Food retail services in Finland continue to grow. There are many alternatives for customers. The company needs to understand the customer's expectations and continuously look for the right strategy to Be Different from competitors and to be demanded from customers. The dynamic and changing of customer's needs require the company to change the policy several times throughout these years. Revenues and profits do not reach the expectation. The company is struggling to improve customer experience systematically and measurably. The Customer Experience measurement tool, as part of the service, is the solution. The device has to be enough flexible and able to create values for both customers and

business. The company should look for opportunities to acquire a Customer Experience measurement tool as part of their existing services, to strengthen the relationship with customers and stakeholders.

1.3 Case Company

The case company is a Finnish family-owned company, which operates in nine countries in Nordic, Scandinavia, Eastern Europe and Russia. They export their products to ninety nations around the world. The company specialized in confectionery, bakery, café, restaurant, and retail services.

The company strategy focuses on market growth and product diversifications. The company continues to launch its products in its portfolio, ranging from confectionery, dairy, non-dairy products, grains, and healthy food. They also continue to acquire and expand brands in their collection. As the company has been in the Finnish market for several decades, the company has branded as its strength with the existing customer segment. The company divides into five key divisions, which are bakeries, confectionery, food service, lifestyle food, and retail.

The company opened its first retail in Helsinki, Finland, in 1891. The owner's goal was to enhance the customer's experience through taste sensations, as remained the core operational value until now. The retail design standards include an open counter, product shelves made of transparent glass, white & blue decorations. Due to the innovation and technological trends, the company has been offering several new services such as mobile applications, social media platforms, and online retails. The latest strategy is to be a modern sustainable food business. The company aims to stay as customer-oriented.

The company has continued to update new trends and research on customer's demands. Customer experience has to be involved in designing and quality assuring in every operational process as well as strategy input. To achieve this, the company needs a Customer Experience Measurement Tool to improve customer experience systematically and measurably.

1.4 Objective, Scope and Thesis Outcome

The objective of the thesis is to re-design the concept of Customer Experience measurement tool as part of the retail foodservice. With the new Customer Experience measurement tool, the company would be able to improve customer experience systematically and measurably. The critical result is the customer experience measurement tool with the ability to measure brand experience, service (firm) experience, and post-purchase experience and to create the values to customers and stakeholders. Conversation, feedback, and recognition make excellence.

The thesis scope is restricted to suggest the new concept for the Customer Experience measurement tool for the retail food business of the selected company.

The outcome of the thesis is to have a re-designed Customer Experience measurement tool as part of the retail food service for the selected company.

1.5 Key Terms/Concepts

LSC – Lean Service Design

EXQ – Customer Experience Quality

NPS – Net Promoter Score

CSA – Current State Analysis

FSA – Future State Analysis

1.6 Thesis Outline

The re-design of the Customer Experience measurement tool began by defining the meaning of customer experience and how to measure, referred to literature, and international company Best Practices. Then I looked at the current company measurement tool and relevant practices. Stanford Design Thinking processes selected as the conceptual framework, Lean Service Design Canvas implemented at the development stage, to precise the co-creation with customers in every step of the design.

The contextual interviews with both internal and external customers aim to know their demands, which are the critical knowledge and inspiration to design a new Customer Experience measurement tool. Domestic customers are service supervisors who directly interact and communicate with customers. External customers are both actual and potential customers. A total of 80 customers and two service supervisors interviewed during the current state analysis. The purpose of current state analysis is to capture the customer's needs and design the Customer Experience measurement tool to respond to their demands and enhance value creation. Then it came to the first proposal. The first proposal was shared once again to both internal and external customers for the validation. Fifty contextual interviews implemented for validation. Discussion and conclusion added as the last part of the thesis.

2. Research Design

This section aims to define the research approach, methodology, and literature implemented in this thesis. It provides in detail the research design. This section refers to the reasons behind the selection of research strategies, data collection methods, and types of data used in this thesis. The analysis of the validity and reliability of the hypothesis stated in this section.

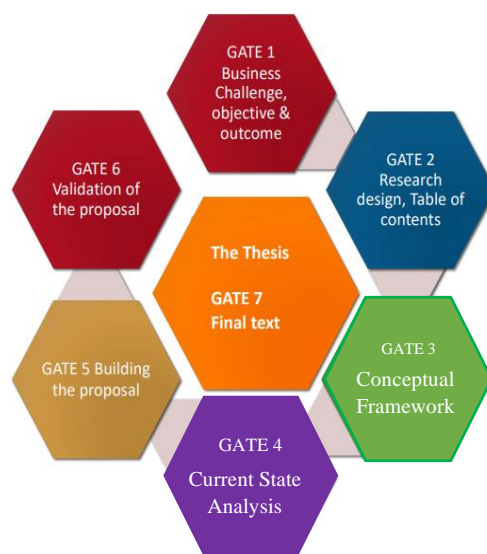
2.1 Research Approach

Thesis reliability completed through defining the research approach. The contextual interview is the data collection method in this thesis, along with the research papers and literature references. Qualitative and quantitative methods implemented.

Mixed-method is the thesis approach. The list of contextual interview questions measures both qualitative and quantitative data. Participants in quantitative research are unable to articulate their feelings and explain their behavior in response to questionnaires. (Marshall & Rossman, 1989) An essential quantitative question is Net Promoter Score (NPS) Participants will rate from 1 to 10 for the question, "Would you rate us based on your visit today?" Quantitative data fails to unveil rich meaning. Head counting methods do not offer an opportunity to explore and reveal people's values and beliefs (Roberts.B,2007) Poor at measuring

interaction, ignore the 'how' and 'why' questions are far less effective at capturing these interpretative dimensions and viewing beyond them. Therefore, qualitative research has implemented. Qualitative research is rich, full, earthy, holistic, and real. (Miles, 1979) Qualitative research enables to track the richness of detail, interpret how participants feel about the problem. Customer's opinions are the most important key driver of re-design platform — qualitative research compared to literature and industry best practices.

2.2 Research Design



The first stage is to define the business challenges, objective, and outcome. Throughout this stage, internal financial reports and observation were implemented.

The second stage is to design research and contents.

The third stage is to capture experience drivers, define the engagements that affect customer experiences, and

conceptualize the outcomes from literature.

The fourth stage is to analyze the current company's customer experience delivering concepts and business values, gathering customer feedback about the satisfactory and areas to improve on existing in-store feedback platform.

The fifth stage is to create the first draft of Customer Experience measurement tool and proposal.

The sixth stage is to validate the first proposal by gathering feedback from both internal and external customers. The fourth stage method is repeated in this stage.

The last stage is to finalize all stages into text.

2.3 Data Collection and Analysis

Qualitative and quantitative data were collected and analyzed in the beginning, within the scope of the current analysis. The data was collected through four steps as following;

Step 1 is to search for the meaning and best practices of customer experience measurement tools written by academic scholars and relevant books from the library to understand more rooted in this topic. The service design course was enrolled during the summer to get insights about customer experience.

Step 2 is observing and studying how the company is using the current feedback platform and any related tools to measure customer experience. Then compared the current company practice to the literature and theories to list out the areas for improvement for a better solution.

Step 3, to get insight, the initial customer interview was conducted to capture the customer's perspectives and expectations towards the current operational state. The interviews were done concisely with the ongoing feedback platform questions, plus two additional items, which were about the need for clarifications and demand for improvement.

Questions from the current feedbacks platform:

1. Would you recommend us based on your visit? (rating 1-10)

The first quantitative question is to measure NPS, which is the current method; the company is using to measure customer experience. Assumedly, rating from 1-5 is not recommended. 6-8 is intended to recommend. 9-10 is highly recommended.

2. What did we do, especially well? (product / service / feeling / something else, what?)

80 contextual interviews on these two questions:

1. Do you need any clarifications on feedback content?

This question is an open question to understand the customer's perspective towards the current measurement tool.

2. How can we improve our feedback platform?

This question is an open question to understand customer's needs and expectations towards the current measurement tool.

The interview was done on Saturday, 18.5.2019, at one of the company outlets in Itäkeskus. Within 4 hours, a total of 42 actual and potential customers was interviewed. The second interview was launched on Monday, 20.5.2019, at the company outlet in Messukeskus. Thirty-eight responses were collected.

All raw data was analyzed and input in the new Customer Experience measurement tool de. Data analysis reflected the current state and area for improvement from different customer segments.

Step 4 learn from Best Practice. Rewarding is the current trendy business model. Leading Foodservice companies like Starbucks are using this worthwhile strategy to improve their customer experience and act as the Customer Experience measurement tool. Their tool has evidentially created an excellent customer experience for both business and customers. This thesis has remarked business reviews and best practice as references.

Data Round	Purpose/ Focus	Data Type	Data Source	Date	Recording Method
Current State Analysis	To collect customer feedbacks on current Customer Experience measurement tool and ideas for designing	Contextual Interview	Manager 1	18.5.2019	Notes/Google Survey
			Manager 2	18.5.2019	Notes/Google Survey
			(42)Customers	18.5.2019	Notes/Google Survey
			(38)Customers	20.5.2019	Notes/Google Survey
	To find the current financial and operational performance of case company	Documentation	Company report	10.5.2019	Documentation and data extract

Table 1 Data Collection Plan

2.4 Validity and Reliability

Validity and reliability are critical phrases in the thesis. This phrase is required to ensure the consistency of the research method application and the quality of the content. Validity is about the understanding of the content of the thesis result and its logic. Reliability is about the consistency of research tools application. The method applied in this thesis is the mixed method, which includes both qualitative and quantitative data. Validity and reliability phrases effectively manage both types of data.

2.4.1 Validity and reliability of the thesis

This thesis implemented the interview as a method to approve validity and reliability. Fifty random potential and current customers were interviewed at this stage. In the beginning, the same contextual interview questions as conducted under the current state were asked. Then the proposal was introduced. Two contextual questions were repeated;

1. Do you need any clarifications on feedback content?
2. How can we improve our feedback platform?

Qualitative questions were applied to deepen the customer's insights, opinions, and expectations. Customer Experience measurement tool was designed with flexibility and aimed to target customers. Therefore, it is possible to be adjusted and edited to respond to customer's needs and preferences to guarantee the values received by customers. Data collected from potential and actual customers are the best input in every process of this thesis.

3 Literature and conceptual Framework

Customer Experience is the current trend in the industry and the main goal of the case company. The case company sees the opportunity to superior the level of customer experience. It is initially essential to define what is Customer Experience in designing a useful Customer Experience measurement tool.

3.1 Customer Experience definitions and Measurement practices from Literature

The topic of Customer Experience is currently the focus of the industry. Many scholars have defined several meanings of Customer Experience and Best Practices on how to create, manage, and measure Customer Experience effectively and systematically. This knowledge is required as the basis to develop a Customer Experience measurement tool as the goal of this thesis.

Firstly, it is required to define the meaning of Customer Experience. Useful information can be referred to like books written by scholars. Some of them were selected as references. This entity is essential as it gives a clear image throughout the thesis.

Secondly, to define the elements of Customer Experience. What creates the Customer Experience. From the first entity, I have learned about the meaning of Customer Experience and its components. Each element is essential and needed to be measured systematically and effectively. To design the Customer Experience measurement tool, I have put into an account of all these elements. A list of relevant literature was illustrated in table 1.

Thirdly, the study on how to measure Customer Experience and the existing tools. There are existing relevant best practices on how to measure customer experience, which could be found in many academic books and journals.

Fourthly, to get inspired by the best practice of other companies within the same industry on how to measure the Customer Experience. Study on the strengths and weaknesses of their current practice and Customer Experience measurement tool. The data referred from search engine and company websites. They are leading International company who has successfully developed the Customer Experience measurement tool like Starbucks is used as the case study. Their best practices are inspiring as they create the values for both the company and their customers. Starbucks was selected as they are an international company that provided similar services as a case company.

Area	Literature
Meaning of Customer Experience	Measuring Customer Experience, Klaus, Philipp, 2015
	The Customer Experience book, Pennington Alan, Pearson publish 2016
	Customer Experience Management Rebooted, Walden Steven, 2017, Palgrave Macmillan UK publish 2017
The Elements of Customer Experience	Measuring Customer Experience, Klaus, Philipp, 2015
	The Customer Experience book, Pennington Alan, Pearson publish 2016
	Customer Experience Management Rebooted, Walden Steven, 2017, Palgrave Macmillan UK publish 2017
How to measure customer experience	Measuring Customer Experience, Klaus, Philipp, 2015
Other company Best Practice	The Starbucks Experience:5 Principles for Turning Ordinary into Extraordinary. Joseph Michelli, McGraw Hill publish 2006
	Customer Experiences Affect Customer Loyalty: An Empirical Investigation of the Starbucks Experience Using Structural Equation Modeling, Gurski, Daniel, Diplomica Verlag 2014, Hamburg Diplomica Verlag publish 2014, page 23

Table 2 List of Relevant Literature

Customer experience is not only limited to service quality and customer satisfaction. To create a customer experience measurement tool, the “customer experience” needed to define. Definitions of customer experience are inclusive. Many marketing scholars came up with several interpretations of the customer experience. The main idea is that customer experience is all about the co-creation of values between customers and the firm. According to Philipp Klaus, Customer experience is the whole set of the puzzle, ranged from customer actual, anticipated purchase, and consumption experience. The firm sees the customer as the co-creator of value and expertise. (Klaus.P, 2015) Values created through every interaction, from pre-purchase to post-purchase. Customer experience made of customer expectations and emotional engagement through the customer journey. (Pennington.A, 2016) I could say that emotional and psychological factors play a

significant role in creating customer experiences as well. Emotional engagement and expectations are tangible. Customer experience is in the moment the 'how' of things as received by the mind of the consumer. (Walden.S, 2017) Customer experiences include every aspect of the customer journey, driven by expectations and emotional engagement perceived in the customer's mind. All in all, it is the company's responsibility to enhance customer's state of mind (customer satisfaction, loyalty, and recommendations), as well as actual behaviors (current recommendations/ word of mouth, purchasing and re-purchasing).

Customer experience influenced by economic perspectives, the power of rationality (referred to past, present, and future buying behaviors), the role of emotions (pleasure-seeking in service and product), and the fascination of extraordinary (wow or touching experience). ((Klaus.P, 2015). Customers are likely to decide the price for values before decision-making. The cognitive process involves the customer's decisions based on their past and present behaviors. Once customers receive enough information, they would assess the choices, one-by-one, driving their intentions. Customer experience characteristics are easy, personalized, and trusted. ((Pennington.A, 2016). For example, a customer visits the retail to buy a cup of coffee. One staff approaches and asks "Are you sure you want to order this?", "Can I offer you this?" and "Have you even ordered this before?" A customer might leave the store with a negative experience. In turn, customer visits. He/she does not know what to order. The staff approaches with the same questions. A customer might leave with a positive experience. Customer experience created solely on what a customer is looking for, not about store location, product, price, or staff. (Klaus.P,2015) Therefore, the firm must understand the needs of the customer, search for the drives, experience factors, and experiences to remember. (Walden.S, 2017)

There are several excellent examples of how companies measure customer experience. Klaus's Customer Experience measurement framework consists of three key elements; brand experience, service experience, and post-purchase experience.

The brand experience reflects the customer's perceptions of the brand. The social groups, references, social media, and online sources affect the brand experience. Service experience consists of process experience through interactions with the firm, evaluation of interactions with personnel, the physical environment, and situational and consumer moderators (e.g., problem-solving and location) Post-purchase experiences are familiarity, retention and service recovery. Enhance social and pleasant values are the dominant post-purchase experience. Post-purchase expertise has the most potent impact on retention and word-of-mouth behavior, as well as customer satisfaction (Klaus.P, 2015).

Four steps to measure customer experience based on Klaus's CX model are the following;

Step 1 Qualitative inquiry and initial purification: a contextual interview with the potential customers to assess customer's cognitive structures and highlighting their purchasing behaviors, the similarity of purchase, item ratings, and feedbacks. (Klaus.P, 2015).

Step 2 Scale purification: conduct exploratory factor analysis and scale the reliability and validity of the content. The result of scale purification would reflect brand experience, service experience, and post-purchase experience. (Klaus.P, 2015).

Step 3 and 4 Final refinement and validation: predicts the ability to essential customer experiences outcomes towards the re-purchasing behaviors, word-of-mouth, share of the category, and customer satisfaction. (Klaus.P, 2015).

According to the book of "Customer Experiences Affect Customer Loyalty: An Empirical Investigation of the Starbucks Experience Using Structural Equation Modeling," by Daniel Gurski (Gurski.D, 2014), I can summarize the Starbucks customer experience measurement to following steps;

Step 1 Data collection: Starbucks uses an online survey by publishing an online study of the firm's internet page and social media. Only the customers who purchased the products are analyzed. The incentives are given to attract more respondents(Gurski.D, 2014).

Step 2 Scale purification: Starbucks analyzes and scales the reliability and validity of the content. At Starbucks, customer experience is values perceived by

customers, which can be divided into two scopes; customer experience quality and product quality, leading to loyalty intention. Perceived wealth added, as Starbucks believes that the wealthier customers see of him/herself, the less the product quality affects the perceived value (Gurski.D, 2014).

Step 3 testing the measurement tool: to ensure that the model can measure what needed to action to get the veritable conclusions and recommendations. It takes several times to adjust and review based on business dynamic strategy and purpose (Gurski.D, 2014).

3.2 Conceptual framework

A conceptual framework is to create a mind map to analyze multiple contexts and variations. The theoretical framework helps to organize complex ideas and explain the phenomenon. The references and insights from the literature were illustrated and assembled in the chart. The thesis research mixed with qualitative and quantitative data. The theme and patterns of qualitative data summarized in the conceptual framework. Stanford.D Service Design Process is the selected conceptual framework in this thesis.

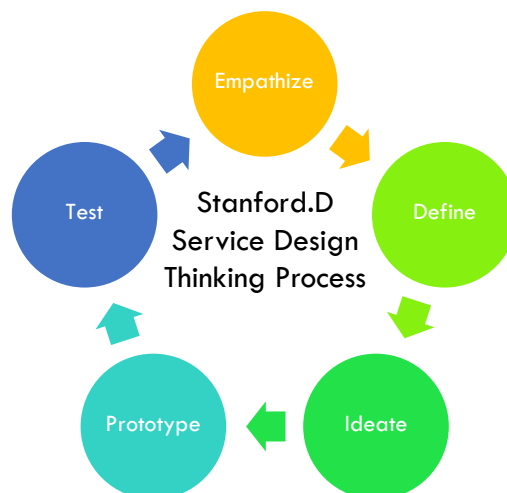


Table 3 Standford.D Service Design Thinking Process

Creativity alone is not enough. The innovation and the innovation output measurement are the priorities along with analytics, empathetic, and creativity to create the solution to the customer. Service Design Thinking Process is customer-centric. Firstly, I started by talking to customers during the first stage of

empathizing. Secondly, I analyzed the data received from customers, interpret and define the problem. Thirdly, from the data, I started to ideate, imagine, and come up with solutions. Fourthly, I prototyped through creativity. Finally, I tested the proposal, reviewed, and revised based on the service design thinking process and many types of knowledge. Data is the key driver of this conceptual framework. The survey is the tool which is not prototyped. Service design, however, is endless. Communication with customers takes place throughout the theoretical framework. The steps go and repeat in the circle.

4 Current State Analysis

Current State Analysis is a crucial part of the thesis. Current State Analysis analyzes the problem in the case company and captures the reason to develop the objective of this thesis. This phrase of argument illustrated what happening inside the case company and the perspectives of relevant stakeholders towards the specific problem. In this case, are the current Customer Experience measurement tool and its performance.

4.1 Current State Data Collection and analysis

Introduced in the research approach and research design phrases, mixed research of both qualitative and quantitative data was applied. Eighty contextual interviews were conducted to capture both qualitative and quantitative data. Most of the contextual interviews aim to measure qualitative data. Net Promoter Score question seeks to collect the quantitative data. The case company financial report was analyzed and referred to as illustrating the current performance of the case company.

Qualitative data collection provides the most critical data. Quantitative data includes information but does not offer insight into why the case company cannot measure the Customer Experience systematically and effectively with their current feedback platform. Qualitative data forces the researcher to communicate to customers, and gain more insights into the problem, learn about their needs, and be inspired by their recommendations. Once qualitative and quantitative data met, the clear image popped up in my mind, and design processes began.

Contextual interview questions are stated below;

Questions from the current feedbacks platform:

1. Would you recommend us based on your visit? (rating 1-10)

(Rating implies three levels; scores 9-10 as promoters, scores 7-8 as passives and scores 0-6 as detractors. Percent of promoters minus percent of detractors equal to actual Net Promoter Scores.)

2. What did we do, especially well? Select at least 1 option (product / service / feeling / something else, what?)

80 contextual interviews on these two questions:

1. Do you need any clarifications on feedback content?

2. How can we improve our feedback platform?

The purpose of the contextual interview is to identify the challenges from the current Customer Experience platform, to gain insights of customer responses and to prove whether the current tool performs well or not, then compare to the case company financial report and financial performance.

Data Round	Purpose/Focus	Data Type	Data Source	Date	Recording Method
Current State Analysis	To collect customer feedbacks on current Customer Experience measurement tool and ideas for designing	Contextual Interview	Manager 1	18.5.2019	Notes/Google Survey
			Manager 2	18.5.2019	Notes/Google Survey
			(42)Customers	18.5.2019	Notes/Google Survey
			(38)Customers	20.5.2019	Notes/Google Survey
	To find the current financial and operational performance of case company	Documentation	Company report	10.5.2019	Documentation and data extract

Table 4 Current State Analysis

Under current state analysis, the empathize and define stages of Stanford Service Design Thinking Processes involve. Based on the conceptual framework, the interviews take place several times. Table 3 only shows the data collection date on the step of empathizing. This step is where I get to know the customers whom I design the solution. Empathize is the critical step to initiating a robust design of the customer experience measurement tool. The goal is to gain insights and understanding of the pain points based on the delivery of existing customer experience measurement practices without assumptions, biases, and judgment. I spent time with front-line employees who are in charge and customers who use the existing tool — the quantitative and qualitative data collected through engagement, observation, and immersion. Interview, shadowing, and documentary are the methods in this step. The quantitative data measures how many times end-user use the existing customer experience measurement tool. The qualitative data captures the feelings, opinions, and ideas of customers. The re-design of the customer experience measurement tool will be based on these collected data.

After the interviews with service managers, pain points were outstanding.

“We lost customers despite high customer satisfaction rating.”

Manager 1 said that customers have so many alternatives for retail services nowadays. Especially in Finland, the cafés are growing fast in almost every corner of the street. The company has existing customers, but they do not have any rewarding loyalty programs in place to keep the customers for a longer time. Customers come and go because of many reasons like convenience, location, or seeking new experiences.

“We do not have customer experience program to increase expectations for customers. We get competitive disadvantages.”

Manager 1 added that now, the competition in the retail food industry is intensive. Every day some newcomers come with fresh ideas, more varieties of products, and benefits for customers. Many of them come with extraordinary marketing campaigns, but all we have is the brand.

“Company cannot concisely define customer experience.”

Manager 2 mentioned that the company sum up customer experiences based on customer recommendation and customer satisfaction through in-store feedback

platform and calculate numbers of complaints through salesforce internally generated by e-mails. Manager 1 and 2 cannot concisely define what exactly is the customer experience.

“It is difficult to merge all information and input into one platform without the solid framework of customer experience measurement.”

Manager 1 said that the current feedback platform could become too complicated with too long and irrelevant content. It is difficult to merge all information and input into one platform without the robust framework of customer experience measurement processes. Front-line employees, especially, require more education on customer experience and measurement practices.

4.2 Current state customer experience measurement tool

In this phrase of the thesis, screenshots of current feedback platform were captured in order to identify each elements.

Current feedback platform screenshots

The image displays four screenshots of a customer feedback platform interface. The first screenshot shows a rating scale from 1 to 10 with a 'Would you recommend us based on your visit?' question. The second screenshot shows a 'What did we do especially well?' question with options for Product, Service, Feeling, and Something else, what?. The third screenshot shows a 'Comments?' section with a text input field and a checkbox for 'Please, contact me regarding my feedback.' The fourth screenshot shows a 'Thank you for your feedback!' message.

Table 4 Current Company Customer Experience Measurement Tool

Then they were taken into the comparison with the conceptual framework. From conceptual framework, the checklist of Customer Experience measurement tool was created as below;

Yes	No	Checklist of Current Customer Experience measurement tool based on conceptual framework and literature
√		CX measurement tool is customer centric
	√	CX measurement tool can identify customer actual, anticipated purchase and consumption experience
√		CX measurement tool is influenced and measure the role of emotions (pleasure seeking in service and product)
	√	CX measurement tool is influenced and measure the fascination of extraordinary (wow or touching experience)
√		CX measurement tool is easy (consistent and hassle free) to use
	√	CX measurement tool is personalized (flexible, relevant service recognized by customer and human touch)
	√	CX measurement tool is trusted (deliver what promised to meet customer's expectation)
	√	CX measurement tool content covers brand experience, service experience and post-purchase experience
	√	CX measurement tool creates share of category, loyalty, word of mouth and customer satisfaction
	√	CX measurement tool creates the unique and personalized bond with customers
	√	CX measurement tool creates the values for customers
	√	Customer delights and surprises can be created with CX measurement tool
	√	CX measurement tool creates the mindful experience to customers (CSR)
	√	CX measurement tool measures service, atmosphere, learning and flow quality

Table 5 Customer Experience Checklist

To better understand how the current case company performs currently to measure customer experience, it is crucial to refer to the conceptual framework and identify whether or not the case company follows the excellent practice of Customer Experience measurement. The theoretical framework is the great guideline and instructions on how to design the Customer Experience measurement tool for the case company.

4.3 Current state analysis overall findings

Overall findings were illustrated and defined under this section — overall results derived from the contextual interviews. Contextual interviews consist of qualitative and quantitative data, which were collected and analysed in this stage.

4.3.1 Current Customer Segments and Threats

The company targets broad customers, including family, Millennials, children, and tourists. Every customer is essential as potential customers, varied by each product's initial premise/vision. The company has been continuing to expand the products and services portfolio to create values to their target segments. However, many threats reduce the amount of propositioning with company limited controls.

Customer segment	Problems/Threats
Family	<ul style="list-style-type: none"> -Internal conflicts of demands within family segment -Child-priority affects demand -Economic factors
Millennials	<ul style="list-style-type: none"> -Influenced by mobile and technology -Change demands abruptly through words of mouth and social media -High awareness of product pricing
Children	<ul style="list-style-type: none"> -Demand forced changed by parents -Affected by economic downturn, lesser/instable family income
Tourists	<ul style="list-style-type: none"> -Affected by exhaustion and rushing hours -Unable to access company's channels (e.g. location barrier) -Religious and cultural restrictions to consumption

Table 5 Customer Segment

Customer relationship optimizes customer loyalty, retention, and word of mouth, which have direct effects on revenues. The right correlation is a two-way relationship between customers and the company. Customer opinions are essential to business sustainability. The company must monitor and learn from the customer's feedback. Over sixty-eight percent of customers feel unappreciated because their voices are unheard. They stop doing business with a company. (Leitner.J, 2018) The current company relationship is not productive and does not respond to the current demands in establishing a connection with their segments.

Through the survey of in-store feedback platform, over 85 percent of customers do not care or pay attention. Referred to Hershey's Happygrams distribution, the power of personalization as a case, frustration, and dissatisfaction indicators tracked. Then the company responded with positive and personalized messages. Over ninety thousand impressions and over 60 percent growth in market share for the brand achieved. (Suthar.s, 2019)

Ty Crandall, CEO of CreditSuite says,

"Creating customer relationship on social media is one of the most cost-effective marketing strategies. The cost for investments is less than 6 euros per day. Platforms like Facebook allows company to efficiently test concepts and advertisements with close supervision of customer's relationship."(Olenski.S, 2015)

4.3.2 Current usage of Customer Experience measurement tool

Eighty actual and potential customers were asked for feedback based on the current Customer Experience measurement tool content plus additional two questions. The list of questions was repeatedly written below;

- Questions from the current Customer Experience tool

1. Would you recommend us based on your visit? (rating 1-10)

The results reveal that 29,3% gave 10 out of 10 scores that they would recommend case company based on their visit. 26,8% gave 8 out of 10 scores, and 22% gave 9 out of 10. From this result, data tells that the majority of customers strongly recommend and intent to recommend a case company based on their visit.

2. What did we do, especially well? (product / service / feeling / something else, what?)

51% of customers said that the company could do especially well with their Products. 49% of customers said that the company could do especially well with their Service. None answered feeling and something else.

- Two additional contextual interview questions

3. Do you need any clarifications on feedback content?

98% of customers do not need any clarifications on the current feedback content.

4. How can we improve our feedback platform?

From this interview question, interesting data were discovered that 72% of customers miss the incentive to give feedback, and recommend that Customer Experience measurement tool should have more features, like rewards/discounts/loyalty point redemption. 45% of customers recommend that Customer Experience measurement tool should have "Area for improvement" question and the Comment box. 15% of customers recommend that Customer Experience measurement tool should have an interactive function to respond in-time to their complaints.

This part of the thesis gives the insights and feedbacks on the case company current practice on customer experience measurement. Data collection and analysis consists of several discussion and responses from customers, who are familiar with the measurement tool at the moment of interview. The most common issue is that over 85 percent of customers do not pay attention to the case company customer experience measurement tool.

4.3.3 Service coverage and customer pain-points

Currently, the customer experience measurement tool is situated in 12 company cafés retails (8)retails in Helsinki, (1) retail in Vantaa, (1)retail in Espoo, (1)retail in

Turku and (1) retail in Tampere. According to the contextual interview, over 85% of customers do not become familiar with the current Customer Experience measurement tool. The case company uses salesforce and e-mail to promote and communicate customer feedback internally. These practices do not lead to the right Customer Experience measurement practice in the case company.

The most important aspect of internal and external customer contextual interviews aims to create the right resourcing in the design of the Customer Experience measurement tool. Customers feel that the current measurement tool is not enough attractive and visible with insufficient functions and features, as well as a lack of invitation and guidance from the service staff. These issues cause ignorance from both internal and external customers to participate or take any actions on the current customer experience measurement tool. Customers cannot perceive any values from the existing customer experience measurement tool.

“Customers get frustrated when their feedbacks never pass on.”

One customer said that she made complaints regarding the speed of service two months ago and she has never heard back from the company. The staff forgot her coffee order for almost 20 minutes and without apologies.

“Customers fail in their actions when they move from one step to another with unexpected information or lack of previous channel awareness.”

One customer explained that she came for dining with her family several times, but she has never been aware of the in-store feedback platform. Neither staffs nor advertisements about the feedback platform are in place.

“Customer journey does not collect data nor create positive attempt to personalized. Unable to promote products that are relevant to the customer.”

One customer said that with his cultural rules and his allergy, he always spends a long time to specify his orders at the cashier, even he came several times to the store. So he decided to end up with only regular black coffee order. He wishes that the company has his information stored in the database so it would be more efficient in the next visit.

“No rewarding or motivating actions in the current customer journey.”

One customer mentioned that she could find very similar coffee and buns from other cafés nearby. She suggested that it could be exciting rewards or extra values for customers in case the company wants to keep the customers and set them apart from competitors.

“Lack of concentration on post-purchase experiences/No clues for future actions and expectations establishment.”

Over 60 customers wonder, “what can I get for giving you feedback?” There are no existing values, future actions, and expectations establishment currently. Customers prefer the service with a clue for the future to create a good relationship between customers and the company.

4.3.4 Overall profitability performance of the services

Last year, the case company, sales revenues, and profits under retail service decreased and dramatically dropped compared to previous years since 2014. Even though the brand is the strength of the case company, the competition of food retail service is exceptionally high, especially in metropolitan areas (Helsinki, Vantaa, and Espoo) with both newcomers and existing competitors presences in the same market. The case company cannot manage extremely high competition in the market, resulting in the closing of one of their retail last year. However, the case company is still looking for expansion opportunities in the future within the Nordic region, and search for a more practical concept to increase business versatility. So far, the company has initiated B2B retail in Sweden and cooperated with Finnish large chain companies to promote sales of artisanal bakery products in chain supermarkets and restaurants. Besides retail, company revenue streams include a share of revenues from confectionaries, bakeries, lifestyle food products sold, restaurant services, and internal sales. The company recognizes revenue over time and at a point in time when fulfilling contractual obligations. With several revenue streams, the company tends to focus on everything all at once, which limits the company from pursuing the right potential revenue streams since the beginning. It could result in the loss of competitive advantages and lost in business opportunities. The company would fail to deliver consistently high-quality products

and services as promised to customers. The company should priority focus on making life easier for customers, addressing customer's pain points, creating efficient processes, and improving communicating better products/services and solutions to customers.

4.3.5 Management model

The case company strategy has been changed for several years. The current policy, which was initiated last year, aims to create the new image of the modern and sustainable company with a concentration on customer-centric, value creation, operational excellence, and structural improvement. The critical market remains the Nordic region and its neighbors. The company continues to take initiatives to improve its business performance within the target market by putting efforts on consumer research, product and service innovations, and cooperation with stakeholders, as well as other company partners. The brand remains the strength of the company. The company, however, is struggling to improve customer experience systematically and measurably, which results negatively towards the revenue and profit growth, especially in the retail food business. According to business reviews, the company tends to focus mostly on product development with insufficient consumer involvement. According to a contextual interview, 85 percent of customers have never been guided to the existing customer experience measurement tool. Employees have a lack of entrepreneur mindset, which avoids success in measuring customer experience.

Customer experience is the key driver, which needs to be put in an account as the guide to develop the right products and services to satisfy demands. The new design of the customer experience measurement tool applies the digital vision to allow a smarter and faster understanding of consumer behavior, leading to innovations across product and service categories. Internal customers or employees are essential drives of the new design measurement tool.

4.4 Key Findings Current State Analysis

Negative emotions/aspects related to the customer need	CUSTOMER'S PROBLEM WORTH SOLVING	Positive emotions/aspects related to the customer need
<ul style="list-style-type: none"> • No capacity to identify customer actual, anticipated purchase and consumption experience • No capacity to influence and measure the fascination of extraordinary (wow or touching experience) • Not personalized (flexible, relevant service recognized by customer and human touch) • Content does not cover brand experience, service experience and post-purchase experience • No share of category within the content • No unique and personalized bond with customers • No value creation • Delights and the mindful experience cannot be created • Not trusted with no area for 		<ul style="list-style-type: none"> • Feedback platforms are available in all signature retails • Net Promoter Score is currently measured and influence the role of emotions (pleasure seeking in service and product)

5 Future state definition

The future state part defines business service processes that changed after the completion of a new design project. The goal is to combine the development and analysis objectives to create an ideal future state process. Design service processes are clarified for future implementation through the technological revolution; changes in customer behaviors and service processes are involved.

5.1 Future state Key Performance Indicators KPIs

The new design of the Customer Experience measurement tool will have built-in key performance indicators. Company strategy and vision are involved in setting the targets. The ideal characteristics of Key Performance Indicators are clearly defined, assessable, achievable, applicable, and timebound. Achievement of Key Performance Indicators proves that a company can create values as expected.

The critical foundation stones are required to design the Key Performance Indicators for retail foodservice in the case company's followed;

- Relation with stakeholders – internal and external customers share mutual understanding and consistently being updated and co-design of the Key Performance Indicators.
- Empowerment the front-line – create the entrepreneurial mind with the freedom to decision-making and opportunities of self-learning, as well as, create concise and consistent communications with the staffs.
- Measure and report what matters – Key indicators of the new design of the Customer Experience measurement tool cover the critical success factors. Each element is designed with reasons for existing. The perceived report must be concise with data visualized, timely, efficiently, and led to bottom-up/operational level decision-making.
- Source Key Indicators based on critical success factors – primarily helps company employees to focus on essential elements of success daily. Key Performance Indicators should link to critical success and success factors.
- Abandon processes that do not deliver - management and relevant employees sit down and work together to update and remove the methods which do not create any longer the values.
- Organization-wide understanding of Key Performance Indicator – all employees share the collective knowledge of the importance of key performance indicators, result indicators, and performance indicators. A small team can only set their crucial performance indicators once they understand the importance.

Key Performance Indicators (KPIs) generated from a new design of Customer Experience measurement tool are based on the customer perspective.

New Customer Experience measurement tool will be designed with built-in Net Promoter Score measurement. In the current practice, "Would you recommend us based on your visit?" (rating 1-10), the new design will keep this question and change to transactional Net Promoter Score, rating at the moment of truth. Rating implies three levels; scores 9-10 as promoters, scores 7-8 as passives and scores 0-6 as detractors. Percent of developers minus percent of detractors equal to actual Net Promoter Scores. This Key Performance Indicator is cost-efficient on the existing in-store digital feedback platform. The new design of the Customer Experience measurement tool will increase the power of Net Promoter Scores along with following lines;

- What and which we do especially well?
- What and which do we need to improve?

Along with Net Promoter Score, these two lines are compelling content that could move detractors and passives to Promoters status. These two contents also help clarify the reasons behind oversimplified Net Promoter Scores results. Service Blueprint is referred to in Appendix 3.

New Customer Experience measurement tool will have built-in customer retention rate. Before opening the content on the new Customer Experience measurement tool, customers will be asked to scan their receipt or membership on the platform. The reasons of having customer retention rate as Key Performance Indicators increase the efficiency from maintaining the relationships with existing customers than newly searching and the increasing of opportunities to re-sell, cross-sell and upsell to the existing customers. High customer retention rate assumedly implies that the majority of customers are satisfied. A total number of the customers at the beginning of the period divided by a total number of repeated customers/membership, equal to customer retention rate. Customer profitability and customer satisfaction are an essential supplement of customer retention rate, which gives insights to the problem.

Customer Satisfaction is the Key Performance indicator of new Customer Experience measurement tool. The qualitative data is measured through the question; to gain more precious insight into customer satisfaction.

➤ What and which we do especially well?

For an effective and efficient measure of customer satisfaction, cost of customer satisfaction and relationship is put into an account.

Customer Profitability as the Key Performance indicator is measured by the new Customer Experience measurement tool. Customer Profitability ensures that business is business, generating profits from selling products and services. Customer Profitability is the personal profit contributed by an individual customer in a moment. Four values to be considered when calculating Customer profitability are the historical value (what a customer pays in the past.), current value (what a customer pays now; related to exclusive offers, campaigns, pricing changes) and present value (what a customer has been paying from past until present). A time-based activity-based strategy is involved in customer profitability. The approach gives the importance to both profitable and unprofitable customers as unprofitable customers can have high customer lifetime value.

New Customer Experience measurement tool is designed with membership subscription content on social media to understand customer profitability. The average revenue per user is calculated from this function by sum up the total income divided by the total number of subscribers. Membership will automatically participate in the membership program. Their historical value, current value, and present value are systematically measured. Member can support a case company by checking their balance from the case company website or mobile application.

To get an insight into customer profitability, customer lifetime value is calculated and measured in crucial performance indicator. Customer lifetime value combines the anticipated length of the relationship between customer and business and the anticipated monetary amount spent by each customer. Each membership lasts at

a maximum of 3 years. Within the length of the relationship, customer lifetime value is calculated with the following formula;

$$CLV = GC \cdot \sum_{i=0}^n \frac{r^i}{(1+d)^i} - M \cdot \sum_{i=1}^n \frac{r^{i-1}}{(1+d)^{i-0.5}}$$

GC is a yearly gross contribution by customer

M is the relevant retention cost per customer per year (affect only retained customer from the previous year)

n is the horizon (in years)

r is the yearly retention rate

d is the annual discount rate

	Best customers	Average customers
Life Expectancy	Three years	Two years
Revenue year 1	€300	€150
Revenue year 2	€300	€150
Revenue year 3	€300	0
Lifetime revenue	€900	€300
Gross profit margin	10%	10%
Lifetime gross profit	€90	€30
Acquisition cost	€10	€5
Lifetime net profit	€80	€25

Table 6 Lifetime revenue and profit calculation example

(From Key Performance Indicators (KPI) book written by Marr.B, published by Pearson Business 2012)

Customer Turnover rate as the Key Performance Indicator can be measured from the new design of the Customer Experience measurement tool. Customer Turnover rate tracks the number of discontinuing customers in a period. Customer Turnover rate motivates the company to look back to the below content on new design of Customer Experience measurement tool;

➤ What and which do we need to improve?

Customer Turnover rate formula is the total number of discontinuing customers at the period divided by the ending amount of customers end of the period.

Recommendation for the case company during Key Performance Indicators selection. Key Performance Indicators can be done in three simple steps; (Stacey Barr| Performance Measure & KPI Specialist, 2018)

STEP 1 Select the Key Performance Indicators, which are most relevant to business goal at the time. It is strongly recommended to find the Critical Success Factors, which lead to the goal achievement.

STEP 2 Limit and prioritized three most important goals at a time. These three goals must lead to the critical success factor of the retail food business at the time, leading to excellent service production and maximize service efficiency.

STEP 3 Generally, there is one Key Performance Indicator for one goal. Remember to maintain the characteristic of Key Performance Indicator; specific, measurable, attainable, relevant, and time/bound.

5.2 Research future state needs and findings

Contextual interview results are the main concentration on this part. Mixed method was implemented to collect both quantitative and qualitative data. Qualitative data

played a leading role in design processes. From research future state needs and findings, (possible) minimum viable and non-viable products were listed. Customer behavior is changing over time. It requires a designer to ask two contextual questions repeatedly and communicate consistently with customers on the development of Customer Experience Measurement tool. Two contextual interviews are;

- Do you need any clarifications on feedback content?
- How can we improve our feedback platform?

From the contextual interview, interesting data were discovered that 72% of customers miss the incentive to give feedback, and recommend that Customer Experience measurement tool should add more features, like rewards/discounts/loyalty point redemption. 45% of customers recommended, that Customer Experience measurement tool should have “Area for improvement” and the Comment box. 15% of customers recommended, that Customer Experience measurement tool should add interactive function to respond in-time to their complaints. 98% of customers do not need any clarifications on the current feedback content.

What is (possible) minimum viable products?

Rewards and value creation
 Area for improvement
 Efficient design content
 Interactive platform with features innovation
 Opportunities to subscribe with company through social media for more rewards

ASK WHY.

Demand for rewards
 Positive feeling with interactive platform
 Demand for area for improvement

<p>What is not (possible) minimum viable products?</p> <p>Waiting time to use the rewards</p> <p>Errors/disconnectivity on platform</p> <p>Rewards do not respond to customer's demand</p>	<p>ASK WHY.</p> <p>Rewarding program policy is not satisfying for individual customers</p> <p>Negative perception from platform performance detractors</p> <p>Rewards might not always satisfy with different demands.</p>
---	---

From minimum non-viable products, the future research action plan can be done as follows;

- Measure customer satisfaction on rewarding program and policies and collect qualitative data from customers for the area for improvement.
- Co-operate with the IT, R&D, and marketing to search for the best solution to prevent errors and assure consistent connectivity for new Customer Experience measurement tool and come up with attractive features.
- Continue contextual interviews with customers and co-create the rewarding program based on customer's demands.

5.3 GAP findings from current state to future state

GAP findings between the current state and future state are considered. They are divided into five streams; customer base, equipment, service coverage, organization, and Information system.

5.3.1 Customer base

Customer base requires big data for making analyses. Customers change their needs and behaviors over time. It is challenging to measure and update customers data without the right measurement tool.

New design of customer experience measurement tool will have the data collection processes on Point-of-Sale retail POS system terminal. Through segmentation, customer data will be divided into actual and potential customers. However, personalized data of each customer is taken into consideration. New design customer experience measurement tool aims to collect and build data at each experience points.

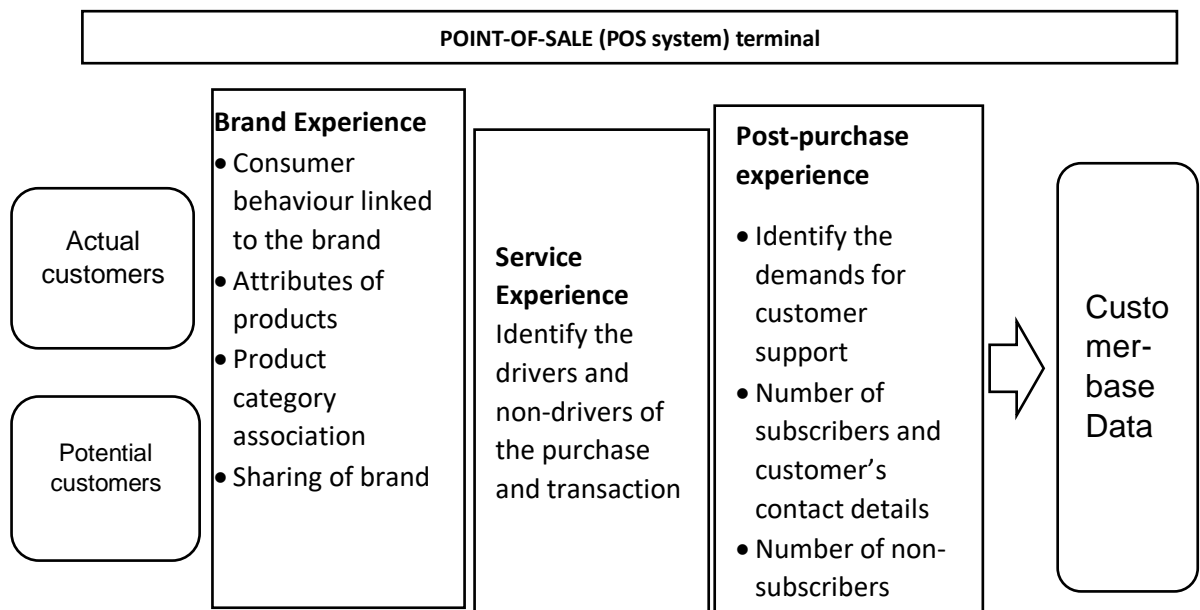


Table 7 Customer Data generation on Point-of-Sale

Table 8 demonstrates how the data from each stages of experiences are received from actual and potential customers then sent to customer-base data on the POS system platform. As the receipt is generated directly from POS system, it is quite efficient to integrate information and input within one platform with the solid conceptual framework of customer experience. The re-design feedback platform will be integrated on POS system.

Brand experience, POS system can measure each customer behaviour (referred to receipt) linked to the attributions of products or products sold order by each category. Company can see the most profitable customers and the least profitable customers from the POS report. Re-design customer experience measurement tool content provides the insights why the least profitable customers are not satisfied with their products.

Service experience, re-design customer experience measurement tool content provides the insights on share of category based on two questionnaires; what can we do especially well? And what do we need to improve? The share of category is personalized based on individual receipt to help customer make the concise decision and respond to the questionnaire. POS automatically calculates and identifies the drivers and non-drivers of the purchase and transaction on the reports.

Post-purchase experience, the last content on re-design customer experience measurement tool provides the QR code access on mobile customer care. The number of scans will be sent to automatically to POS then POS will calculate and identify the demands for customer support. The important part on the last page of re-design customer experience measurement tool is the invitation to subscribe for rewards on social media and obligatory to add e-mail. POS will automatically calculate the number of subscribers, collecting customer's provided social media and e-mail address and finally calculate and identify number of non-subscribers at the end of the target period.

5.3.2 Equipment

The current customer experience measurement tool in-store feedback platforms are required to be updated and insert a direct link to Point-of-sale (POS system terminal) to ensure data collection is processed correctly. According to the current state analysis, customers demand new features and value creation as well as the area for improvement. Therefore, costs need to be in considerations. Whether the updates of features of existing in-store customer experience measurement tool or acquiring of the new in-store platform will save more costs, however, the latest acquisition may incur an additional charge based upon negotiation with a supplier. Currently, the customer experience measurement tool is situated in 12 company retails (8) retails in Helsinki, (1) retail in Vantaa, (1) retail in Espoo, (1) retail in Turku and (1) retail in Tampere. The number of customer experience measurement tool should grow along with the business expansion and ensure the link of data between all branches to the corporate office through the effective Point-of-sale

reporting system. The possibility of updating and viewing in real-time is recommended. From customer side, the re-design customer experience measurement tool will be integrated with both IOS and Android mobile platforms which create more convenience for customers.

5.3.3 Service Coverage

Under company retails, there are both physical stores and online stores. The current customer experience measurement tool currently works in physical stores. The new design of the customer experience measurement tool will be launched as well in online stores. The data collection will be linked to corporate and physical stores to ensure service coverage. The privileges for customers will be available for both physical stores and online stores. As the performance last year did not reach the expectation and dropped below the five previous years, some of the company physical stores were shut down. The future of company retail might shift to online stores. Therefore, the initiation of a new customer experience measurement tool is essential. The design will be standardized for both physical and online stores to ensure the familiarity and efficiency for customers. Customers can update rewards and see the loyal points on their mobiles anywhere anytime on both IOS and Android. Company will continue to cover the re-design customer experience measurement tools in all existing stores and future stores. Currently the existing in-store feedback platforms are located on two brands under company food retail businesses.

5.3.4 Organization

The current organizational working model is customer-centric, which allows for further development and improvement of customer experiences. The launch of new concept improvement and retail association are believed to be the key drivers to improve the customer experience. The unique design of the customer experience measurement tool will generate insight data and identify the real drivers of what makes positive customer experience and whatnot. The new customer experience measurement tool will be designed to implement the current customer-centric organizational working model to highest the value creation to both business and customers.

5.3.5 Information System

The design of the new Customer Experience measurement tool requires the integration of information systems. Information System leads to the creation of customer engagement and the support of the self-service platform. In the future, with the direct link between Point-of-sale (POS) terminal and information system, the new design of the customer experience measurement tool could be developed as the self-service payment method. Customers can pay and give feedback on customer experience right away with a connection to post & share of their experiences on social media on the same platform, which will increase the efficiency and customer retention for the service.

6 Customer Experience Measurement Tool Proposal

The proposal of the Customer Experience Measurement tool is inspired and designed based on the current state framework, current state analysis, and future state analysis. The scheme shows all findings and design ideas. The proposal was presented to the case company service manager, potential and actual customers for feedbacks and acceptance for future implementation of the new design of customer experience measurement tool for retail food business.

6.1 Customer Experience Measurement tool proposal

To re-design customer experience measurement tool, lean service canvas is implemented through following steps:

Step 1 : BUSINESS OBJECTIVE AND CONTEXT

The first step is to set up business objective (business problem/need/opportunity), see whether the business objective can fit the current company strategy, identify the factors which enables and restrict the achievement of business objective, identify persons who need to involve and set up key performance indicators to declare the achievement or failure.

The business objective

Company is struggling to improve customer experience systematically and measurably, resulting in the enormous loss of sales and profits, as well as competitiveness throughout previous years. Company needs to have re-design customer experience measurement tool in place.

Why is it important? (How does it fit our strategy?)

Company most recent strategy is to transform business to modern sustainable food company with the target on doubling in value. The innovation of re-design customer experience measurement tool will reflect the current strategy through innovation and modernity based on customers' ideas and perspectives for sustainable business growth.

What enables us?

Customer feedbacks/opinions of current in-store feedback platform enable and inspire the re-design service. Existing feedback platform and POS platform are waiting to be re-designed. Digital Age trend: customers are familiarized with interactive platform. Business model is customer-centric.

What restricts us?

The avoidance in process practice, lack of mutual-disciplinary from several departments, and corporate disapproval can restrict the re-design of this project.

Who needs to be involved?

All service staffs, customers, IT department & software supplier, corporate management as well as sales and marketing departments.

How will we know that we have succeeded?

Company can measure and increase net promoter score, customer profitability, customer retention rate and customer lifetime value, while being able to measure and decrease customer turnover rate.

Step 2: IMMERSION AND DATA

Immersion step draws the insight of current state analysis. From interview, interesting data were discovered that 72% of customers miss the incentive to give feedback and recommend that Customer Experience measurement tool should have more features, like rewards/discounts/loyalty point redemption. 45% of customers recommend that Customer Experience measurement tool should have "Area for improvement" question and the Comment box. 15% of customers recommend that Customer Experience measurement tool should have an interactive function to respond in-time to their complaints. The most common issue is that over 85 percent of customers do not pay attention to the case company customer experience measurement tool. Extra insights from customers are that customers get frustrated when their feedbacks never pass on. Customers fail in their actions when they move from one step to another with unexpected information or lack of previous channel awareness. Customer journey does not collect data nor create positive attempt to personalized. Unable to promote products that are relevant to the customer. It does not encourage commitment to customers. No rewarding or motivating actions in the current customer journey. Lack of concentration on post-purchase experiences/No clues for future actions and expectations establishment.

According to service managers, company lost customers despite high customer satisfaction rating. They do not have customer experience program to increase expectations for customers. Company struggles to concisely express customer experience. It was difficult to create a single platform with all info, input, collected into metrics, so found without solid framework to put in a map or manage properly.

Step 3: CUSTOMER GROUPING

I divide customers to two groups; loyal customers and potential customers.

Common in all customer groups: They purchase products and services at the retail. They demand for values. All groups affect net promoter score, customer profitability, customer retention rate, customer lifetime value and customer turnover rate. Their voices are important. There are opportunities to turn potential customers to loyal customers.

Step 4: IDEATION

Re-design the current based on Klaus's customer experience model in table 9

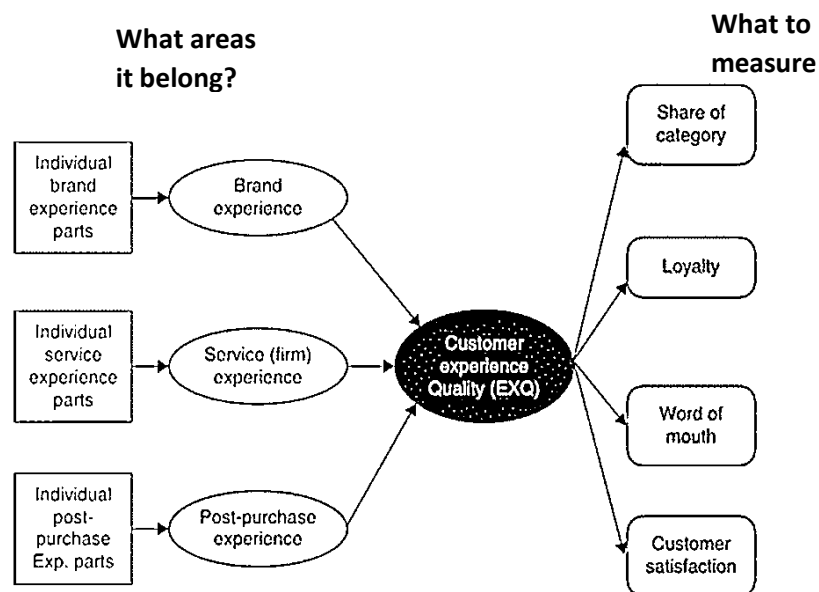


Table 8 Customer Experience Quality and three pillars

Ideas that fix, eliminate or reduce the customer's pain

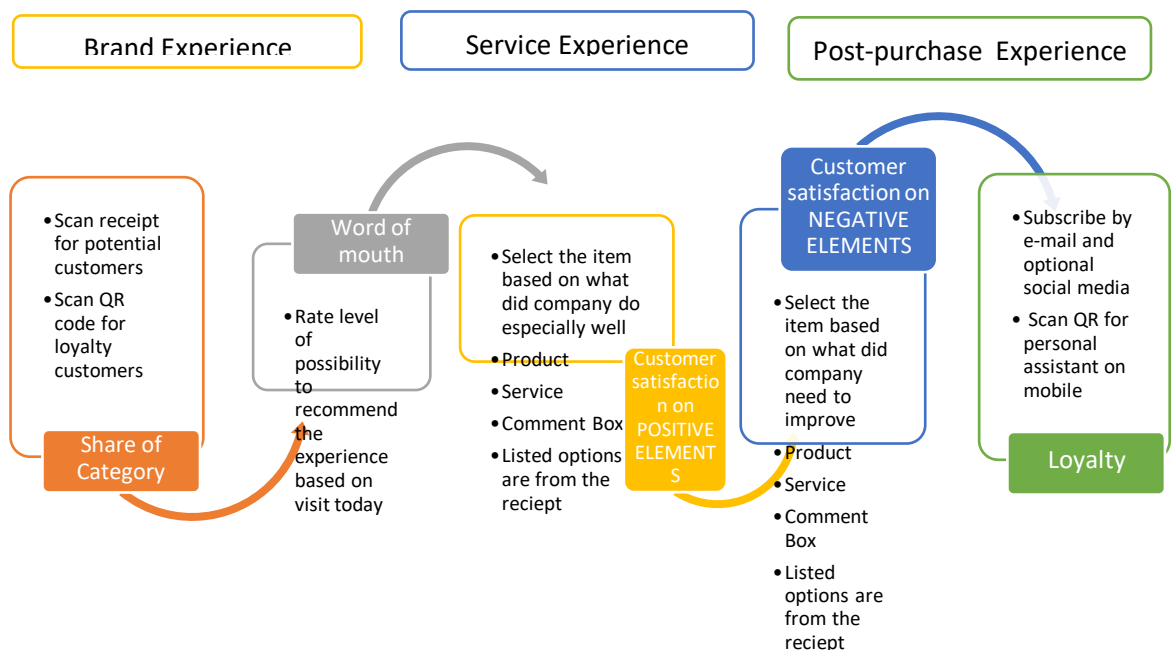
- The feedback questions should keep the NPS score question as to the most common measurement of Loyalty & potential Word-of-mouth.
- The feedback questions should follow the issue to identify the POSITIVE ELEMENTS (so that to identify Customer satisfaction & the products and services with a sustainable competitive advantage(s))
- The feedback questions should add the item to determine the NEGATIVE ELEMENTS (so that to identify and monitor what spoils the customer's experience).

- The feedback questions should be re-designed to offer clear access to evaluate every product & service Category.
- Additionally, the feedback questions should be easy to change and manage, if needed (access to the platform changes).
- Finally, for more in-depth feedback, there should be incentives offered to collect more detailed feedback (through the contextual interviews, for example).

Thus, the re-designed Customer Experience measurement tool will integrate the Brand experience, Service experience, and Post-purchase experience to elicit more specific questions and therefore focus the improvements efforts towards Customer Experience Quality (EXQ).

Step 5: CONCEPT AND VALUE PROPOSITION

Concept name: The re-design customer experience measurement tool for food retail



How does it work?

The re-design customer experience measurement tool has three phrases; brand experience, service experience and post-purchase experience. First and second pages (share of category and word of mouth) contributed to brand experience. Third and fourth pages (Customer satisfaction on POSITIVE ELEMENTS and customer satisfaction on NEGATIVE ELEMENTS) contributed to service experience. Last page (Loyalty) contributed to post-purchase experience. Each of all belongs to the individual customer.

Page 1: share of category: Customer easily scan QR-code on their receipt on the buttons for potential customer or for loyalty customer. The platform will automatically categorized customers into two separated segments; potential or loyalty. The share of wallet of loyal customers automatically calculated by dividing money spent on the receipt by the total amount a customer spends in the target measurable period.

Page 2: word of mouth: Customer invited to rate the level of intensity to recommend the experience based on visit today. Net promoter scores automatically calculated based on following criteria;

Rating implies three levels; scores 9-10 as promoters, scores 7-8 as passives and scores 0-6 as detractors. Percent of developers minus percent of detractors equal to actual Net Promoter Scores.

Page 3: Customer satisfaction on POSITIVE ELEMENTS: Customer select the item based on what did company do especially well. There are two options; product and service. Customer can choose either one or both. The list of product options is exactly the same as the list in the receipt. Customer required to select at least one item. There is a comment box in the same page as optional.

Page 4: Customer satisfaction on NEGATIVE ELEMENTS: the page has exactly the same pattern as page 3 except this time, customer needs to answer their unsatisfying/detractor on their experience.

Page 5: Loyalty: Potential customers invited to subscribe the membership and loyalty program by completing e-mail address (compulsory) and social media

(optional) on this page. For further information, customer can use their mobile to scan QR-code. The link will automatically connect to personal assistant.

Value to the end-user

Customer will perceive values through rewards from giving feedbacks. They can be ensured that their feedbacks always valued and passed on. Customer will be thrilled with more relevant offers to the demand. There will be better problem-solving for all customers.

Value to business

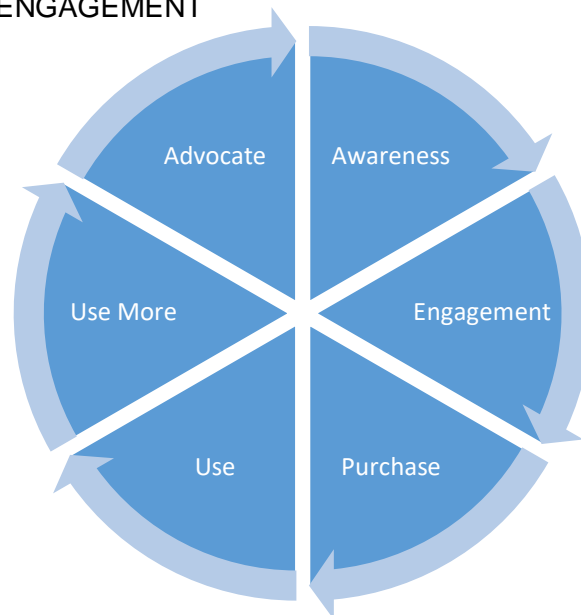
Company will be able to improve customer experience systematically and measurably through the effective customer-centric KPIs; net promoter score, customer profitability, customer retention rate, customer lifetime value and customer turnover rate. Company will be able to collect data and create positive attempt to personalized. Customers will be able to promote products that are relevant to the customer. In the long run, company can gain sustainable profits: superior profits, increase royal customers with higher share of wallet.

What differentiates it from other solutions to the same problem?

The re-design customer experience measurement tool is based on customer experience pillars and aim to create two-way greater values. (To both customers and business).

It is not just a feedback platform, but the innovative multichannel value-creator feedback platform. with the connect to social media, store and mobile platform, where business can measure and enhance customer experience in real-time.

Step 6: CUSTOMER ENGAGEMENT



Through customer engagement, I designed based on six steps; awareness, engagement, purchase, use, use more and advocate. After advocate, customer will return back to awareness as a circle.

Awareness: Start by announcing & educating staffs and customers about the new launch of re-design customer experience measurement tool and relevant benefits through both online (company's existing website and social media) and offline (advertisement inside the retail, staff training and by communication between staffs and customers). Company should consistently update rewards that match with updating strategy and customer's changing demands.

Engagement: Customer-contact or/front-line staffs always educate customer about the customer experience measurement tool and its benefits. The design function of new customer experience measurement tool allows customer engagement on sharing opinions and feedback for rewards, subscribing for more benefits and connecting to personal assistant on mobile via QR-scan. Engagement step is input of service blueprint to create the routine and consistent service flow.

Purchase: To access the re-design customer experience measurement tool, customer requires the receipt with QR code from purchase transaction. The system designed this way to ensure that customer has really experienced the products and services before providing any feedback. POS system collects all customer data. For loyal customers, they require to show the mobile member card to cashier staffs to scan during purchase.

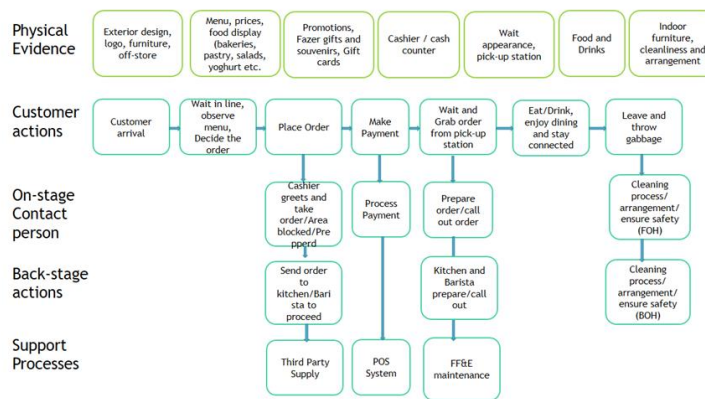
Use: To start, customer needs to scan the QR code from the receipt on the customer experience measurement tool. There are two separated buttons; for potential customers and for loyal customers. The design content of the customer experience measurement tool is easy to use. The content comes with smart functions which can show personalized customer's order in detail according to the receipt on two questions; what did we do especially well? And what do we need to improve? See appendix 4 customer experience measurement tool screen-by-screen. It helps narrow down the customer's decision and be more specific and personalized. The last page of the customer experience measurement tool invites potential customers to subscribe for more benefits by providing e-mail and social media. There is also the connect to mobile personal assistant via QR code. E-mail is mandatory to provide. It is one of company marketing strategy to communicate and update news, promotions and rewards to customers.

Use More: Attractive and responsive rewards motivate customer to give more feedbacks. Customer needs well educated and updated consistently on rewarding points, status and benefits. Consistent flawless and relevant communication required. Data tracking on customer's voice leads to ideas to effectively respond to personalized customer's demand. Provided comment box on customer experience measurement tool collects insights of customer's needs. As the result, customer feel appreciated and tend to provide more feedbacks and turn to advocate.

Advocate: With re-design customer experience measurement tool, customer can gain more rewards by referring friends to give feedbacks and enjoy benefits

together. Word of mouth is one of the most powerful tool to achieve business objectives.

Step 7: SERVICE BLUEPRINT



From current service blueprint,

Customers get frustrated when their feedbacks never pass on

Customers fail in their actions when they move from one step to another with

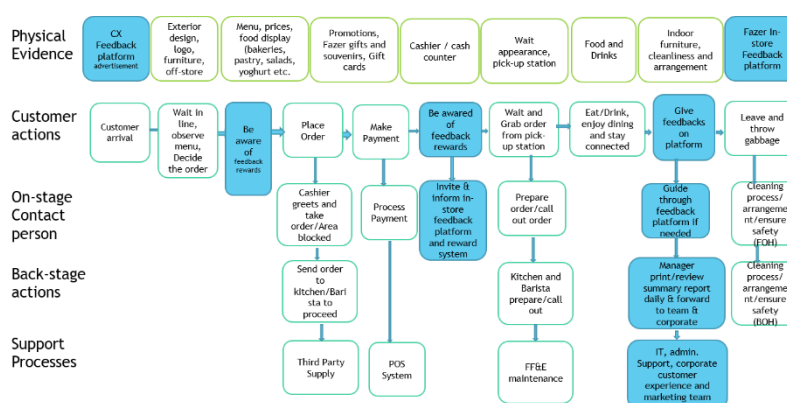
unexpected information or lack of previous channel awareness

Customer journey does not collect data nor create positive attempt to personalized.

Unable to promote products that are relevant to the customer.

It does not encourage commitment to customers. No rewarding or motivating actions in the current customer journey.

Lack of concentration on post-purchase experiences/No clues for future actions and expectations establishment.



With new service blueprint,

customers will

Be ensured that their feedbacks always valued and passed on

Smoothly go with their actions when they move

from one step to another with expected information and previous channel awareness

Company will collect data and create positive attempt to personalized. Will be able to promote products that are relevant to the customer.

Re-design customer journey encourages commitment to customers. Customers are happy as company keep their promised.

Company has higher concentration on post-purchase experiences. with clues for future actions and expectations establishment by customers.

6.2 Brand Experience

Net Promoter Score is the method selected to measure brand experience and customer loyalty with only one question; Would you recommend us based on your visit today? The problem is designed with a 10-point scale (0 = Unsatisfactory 10 = Excellent) the new design will keep this question and change to transactional Net Promoter Score, rating at the moment of truth. Rating implies three levels; scores 9-10 as promoters, scores 7-8 as passives and scores 0-6 as detractors. Percent of promoters is subtracted by percent of detractors, equal to actual Net Promoter Scores. This Key Performance Indicator is cost-efficient on the existing in-store digital feedback platform. However, according to existing knowledge part, there are some key findings to re-consider on using Net Promoter Score as only one measurement tool. Net Promoter Score aims to measure future behaviors and to define the tendency to recommend. However, detractor cannot be specified by the Net Promoter Score.

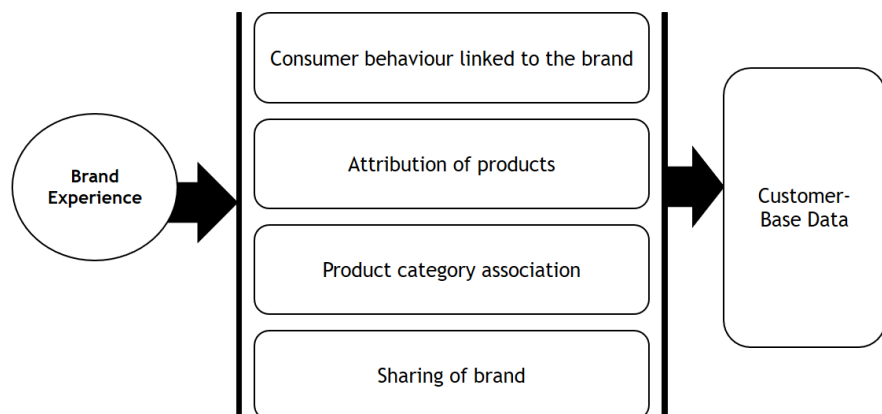


Table 9 Customer Data collection from Brand Experience

From the diagram, brand experience scope includes four aspects, which are consumer behavior linked to the brand, attributes of products, product category

association, and sharing of the brand. Net Promoter Score only reflects the sharing of the brand. The added content is designed, along with the proposal of new design receipt and membership card.

Information from each receipt reveals the consumer behavior linked to the brand, attributes of products and product category association, as receipt itself contains the information and list of product and service of an individual transaction. The data automatically stored in the point-of-sale (POS) terminal. With the scan on receipt, the customer will be able to see the purchased items on the new design of the Customer Experience measurement tool.

The receipt is designed with barcode and order number. Once the customer confirms for subscription, the latest order number last five digits will be the same as the previous five-digit in his/her new membership card number. (as demonstrated in the picture). Company will be able to track individual customer behavior in Point-of-Sale before and after subscription. The membership card is designed on the mobile application available on IOS and Android and as a physical membership card.

6.3 Service Experience

Customer experience consists of drives, experience, and memory. Service experience part is targeted to measure the drivers and non-drivers of the purchase and transaction. The content under service experience is designed as below;

The first page under service experience asks, "What did we do especially well?" Two options to select are product and service. According to the illustrated picture, once select "service," a new window popped up for customer to specify by selecting at least one option. Under the service option, there are service staff, speed of service, atmosphere, connectivity, and others, what? Below the selected option, there is an empty box, which invites the customer to give more comments.

Once the customer selects "product," a new window will pop up with the list of product(s) scanned from the receipt as illustrated in the picture. Customer can

choose more than one favorite order. Customers are invited to give more comments and feedback regarding the selected products under the comment box below. Or press “skip” to move to the next page.

Embrace resistance is important. The company should be always open-minded for an area for improvement and customer’s feedbacks and ensure corrections take place. The second page under service experience is targeted to measure the non-drivers of the purchase and transaction with one question “What do we need to improve?” The instructions are the same as the previous page. Illustrated in the two pictures below;

The image displays two versions of a feedback form titled "WHAT DO WE NEED TO IMPROVE?". Both forms include a sub-header "(CHOOSE AT LEAST ONE)" and a "COMMENTS?" section with a "TOUCH HERE TO WRITE" prompt and a "SKIP" button.

Left Form (PRODUCT tab selected):

- (CHOOSE AT LEAST ONE)
- 1 Season's Red Chocolate
- 1 Signature Blend
- 1 Mango Smoothie
- 2 Vanilla Pudding
- 1 Red Velvet

Right Form (SERVICE tab selected):

- (CHOOSE AT LEAST ONE)
- Service Staff
- Speed of Service
- Atmosphere
- Connectivity
- Others, what?

Customer experience is the whole set of the puzzle, ranged from customer actual, anticipated purchase, and consumption experience. The company should always see the customer as the co-creator of value and expertise. From the specified drivers and non-drivers of investment and the Net Promoter Scores, the product and service development and innovation ideas will be developed practically and measurably to satisfy customer’s demands, and generate and increase sales and profits at the end.

6.4 Post-purchase Experience

Psychologically, post-purchase experience may lead to the anticipation and excitement of perceived product and service and suspicious/concern of own decision-making after the transaction. Data collected under post-purchase experience are required for the calculation of customer retention rate. The reasons of having customer retention rate as Key Performance Indicators increase the efficiency from maintaining the relationships with existing customers than newly

searching and the increasing of opportunities to re-sell, cross-sell and upsell to the existing customers. High customer retention rate assumedly implies that the majority of customers are satisfied. The sum up number of the customer at the beginning of the period divided by a total number of repeated customers/membership equal to customer retention rate.

Customer Profitability as the Key Performance indicator measured by the new Customer Experience measurement tool. Customer Profitability ensures that business is business, generating profits from selling products and services. Customer Profitability is the personal profit contributed by the individual customer in a moment. Four values to be considered when calculating Customer profitability are the historical value (what a customer pays in the past.), current value (what a customer pays now; related to exclusive offers, campaigns, pricing changes) and present value (what a customer has been paying from past until present). The time-based activity-based strategy is involved in customer profitability. The approach gives the importance to both profitable and unprofitable customers as unprofitable customers can have high customer lifetime value. Calculation of customer profitability is described under chapter five Future state Key Performance Indicators.

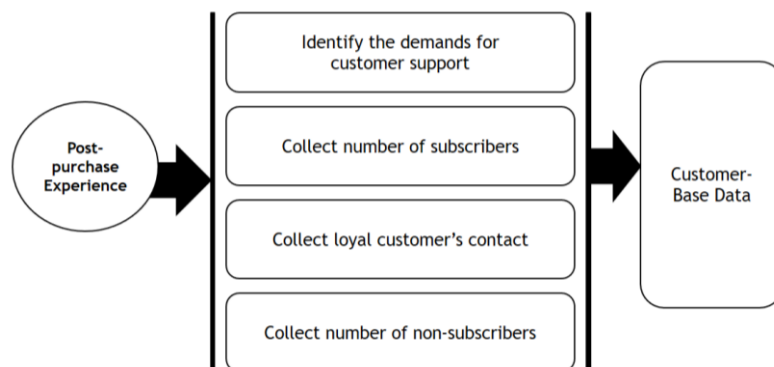


Table 10 Customer Data collection from Post-purchase Experience

The content for post-purchase experience is designed with the multi-marketing strategy. The multi-marketing plan consists of showing of care, transparent refunds and returns, How-to tips, satisfaction feedbacks, replenishment reminder, reward loyalty, and complementary product recommendation.

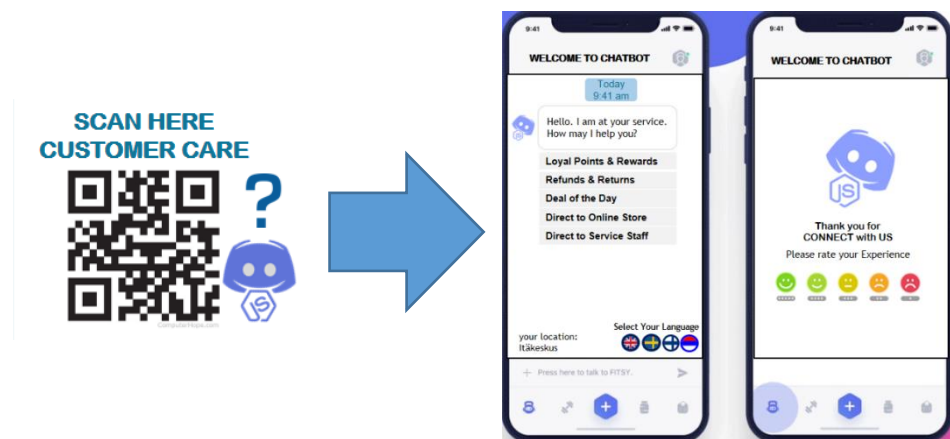
Showing of care – only a “thank you” word is powerful. It creates the value of appreciation to the customer for giving time and feedbacks to the company.

Transparent refunds and returns – customer can scan the QR code from the page to access the chatbot on their mobile phone. It is available on both IOS and Android. Problem-solving done on chatbot will be analyzed and linked to Point-of-Sale (POS) for business review on daily, monthly, quarterly, and yearly basis. The chatbot is available in Finnish, English, Swedish and Russian. Chatbot pilot at the selected store with special QR-code. Member customer no-longer needs to show the receipt for the refunds.

How-to tips – with the tab “Press here for more information,” the customer will be guided to the reward policy. After customer subscribes with social media account of their choice, the customer will always get updated with the How-to tips of new products and service.

Satisfaction feedbacks – This includes in the previous pages of brand experience and service experience, where the customer is invited to provide the feedback and to rate Net Promoter Score.

Replenishment reminder, reward loyalty, and complementary product recommendation – after subscription, the customer will always receive the best exclusive deals/promotions and updates on company’s Newest product as well as the upgrade of their loyal points and exclusive rewards of the month to their registered e-mail, registered social media and company application.



7 Validation of the Proposal

Table 12 illustrates the validation processes. After first proposal or product development, I set up the prototype and simulator by inviting company managers who have direct in-charge on driving customer's satisfaction and potential customers who made the transactions to experience the re-design customer experience measurement tool proposal. After receiving the design input based on customer requirements, the design output is created as the final design proposal. The final validation takes place until customer's demands are satisfied.

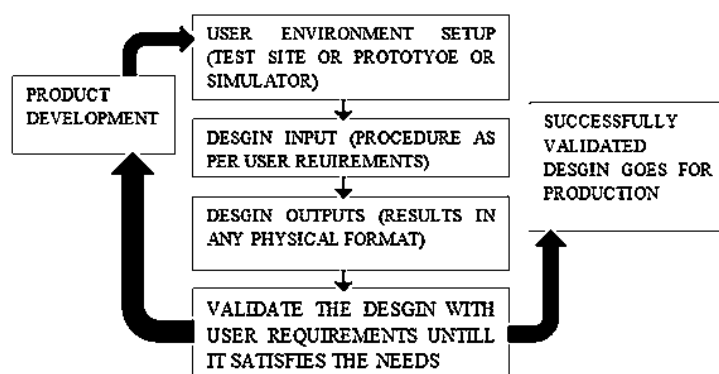


Table 11 Product Design Development Process

Randomly selected 50 actual and potential customers, a service manager, and a corporate representative. After running through the re-design customer experience

measurement tool proposal, the contextual interview questions were repeatedly asked below;

1. Do you need any clarifications on feedback content?
2. How can we improve our feedback platform?

According to the contextual interviews for validation, the key aspects to consider for the final proposal were revealed as followed;

Company managers	Customers
The opportunity to increase loyal customers with the introduction of rewarding system	Any special privileges for potential customers
System integration and scanning feature as part of platform	

7.1 Final proposal

The final proposal has every aspect as in the scheme. According to the validation, reward marketing plan and budget were implemented in the final proposal of re-design concept. These two aspects were not considered and planned in the Customer Experience measurement tool proposal.

7.2 Recommendation for Implementation

The service blueprint is the most effective tool to acknowledge stakeholders about the implementation of re-design customer experience measurement tool (see appendix 3). Stakeholders are involved consistently in the service blueprint to ensure the contribution to the quality and success on the re-design customer experience measurement tool.

Having loyalty program creates many values, including the increase of customer retention, more referrals with double sales through word of mouth, cost-effective through keeping the existing customers and nurture advocacy (logically increase

five times repurchase, seven times demand for new products and four times referrals.) According to the comments received from both internal and external customers, I have come up with the idea to create the loyalty program illustrated below;

1. “Re-design customer experience measurement tool” is too long name without any influences.

Manager recommended that the name of the program should be concise and able to create viral. After researches on good practice, the name of the re-design customer experience measurement tool should reflect all-time signature product that customers have already been familiar with in order to receive more attention, as well as promoting the platform at the same time.

2. Re-design customer experience measurement tool aims to create meaningful values over pushing sales.

Economic perspectives, power of rationality (referred to past, present and future buying behaviours), the role of emotions (pleasure seeking in service and product) and the fascination of extraordinary (wow or touching experience) influence the meaningful values to customers.

3. Reflect case company personality through recreation of points

Over 90 percent of the companies use “points” as rewarding program currency. To be different, I would suggest for case company to use something else, which reflects business’s identity e.g. a “candy” in Blue and White package.

4. Open opportunities for customers to earn points through engagement, not only from purchase

To spoil customer’s demand and be flexible, I would suggest case company to give other ways for customer to earn points by giving feedbacks on re-design Customer Experience Measurement tool platform and participate on social media campaigns with the receipt. From these activities, customer is feeling rewarded, while company can enjoy the benefits from word of mouth, loyalty, share of category and customer satisfaction.

5. Value each point with the price

According to the industry best practice, Starbucks set 1 star equal to €0,5. Case company might compete by setting the price value higher per one point per following formula;

Set the point value of €1: $\text{€1} = 1 / \text{cash back amount \%} = 1 \text{ candy}$

Thanks to the development of the Mobile system, both IOS, and android with the automatic scanning function. It is convenient for customers and business with little extra cost. The dynamic QR code is highly recommended with easy access to encoded URL. Modification is flexible, and the company can update and see the report in real-time. The active QR code, in turn, increase efficiency without code regeneration. The formatted QR code can be printed with high quality on receipt.

The new customer experience measurement must ensure the synchronizing to point-of-sale (POS). Every physical and digital touchpoint affect customer experience. Point-of-sale plays a vital role to measure customer's current and perceived demands. The synchronizing between new customer experience measurement tool and point-of-sale will enable the company to respond to the change of trend and category faster, to reduce markdowns for more profits and to fill the space with the right highly demanded products. Service staff will have more time to concentrate on pampering customers. The existing mobile application synchronizes with mobile Point-of-sale to increase the convenience and offer a new experience to the customer. It will enhance the customer's lifestyle by tailor their purchase experience, collect feedback, and invite to loyal program and campaigns on their mobile.

The implementation is on-going. The system and content need to be flexible as the customer's demand are changing all the time. I would suggest the company to include the new customer experience measurement tool as part of service blueprint and do-follow consistently for the most effective result. Two contextual interviews; Do you need any clarifications on feedback content? and How can we improve our feedback platform? Should ask randomly for further improvement of the material. The company should remember that the successful customer experience

measurement tool is customer-centric and co-design with customers. Communication with customers is the top list in the continuous implementation plan.

8. Discussions and conclusions

This part aims to provide the summary of overall research findings and final re-design concept and process after all the thesis iterations. The learning outcomes are important for the researcher. The strength and the area for improvement on thesis work reflect in the last section.

8.1 Summary

During research for the case company problem, company was facing the challenges in their retail food business financially and competitively. The profits for retail went below the five previous years. There were actually many factors including the strong competition in the existing market and the shifting in customer's demand. Company has been changing strategies and concentrating on expanding product line without sufficient effort to improve customer experience systematically and measurably. This caused company to lose the market share and competitiveness. Company needs the systematic and measurable customer experience measurement tool as part of their retail service to identify customer's insights and create unique values to both business and customers.

Thesis has the mixed research, which collects both qualitative and quantitative data through contextual interviews and literature. The first stage was to define the exact meaning of customer experience from literature and best practice on to measure customer experience within the industry. The Lean Service Canvas was selected as the tool because the tool allows the co-creation with customers in every stages. The second stage was research whether company has any customer experience measurement practices in place and analyse strength and area weaknesses of their current practice based on both internal and external customer' perceptions. In this stage, I found that company is using Net Promoter Scores measurement platform in their retail. Pain points of Net Promoter Scores were defined in current state analysis. Net Promoter Scores require the companion tools

to better enhance and measure customer experience for brand, service and post-purchase pillars. The third stage was to combine conceptual framework and current state analysis into the future state definition. Future state definition draw the map of concept development and proposal. The fourth stage was to design the proposal. The gap between current state and future state were analysed in this part. The opportunities to measure company Key Performance Indicators from the re-design customer experience measurement tool were available. The fifth stage was to create the first proposal. I kept the strengths and implemented the areas for improvement based on literature, best practice and results of contextual interviews to create the first proposal. Followed by the validation of the proposal by contextual interviews. The recommendation for implementation was based on the result of validation. I believe that the re-design concept of customer experience measurement tool will create unique values for both business and customers.

8.2 Evaluation of thesis

This section purposefully refers to the objective and the outcome of the thesis in previous parts. The writer's reflection and future development ideas are part of this section.

8.2.1 Outcome vs objective

Thesis objective was to re-design the customer experience measurement tool as part of their retail food service. Customer experience for the case company is the the key driver for their success. Stakeholders influence customer experience. Customer experience is the whole set of puzzle, ranged from customer actual, anticipated purchase and consumption experience, Firm sees customer as the co-creator of value and experience. Company's expansion of portfolio and changing of strategy are limitless and cost-ineffective, resulting in the loss of profitability.

Thesis concentrates on the objective since the beginning as it is well justified and constructed. Re-design of customer experience measurement tool helps company improve customer experience in a systematic and measurable way. The advantages of re-design customer experience measurement tool are sustainable competitive advantages, superior profits and loyal customers with high spends. The characteristics of Customer experience measurement tool are easy

(consistent and hassle free), personalized (flexible, relevant service recognized by customer and human touch), trusted (deliver what promised to meet customer's expectation). The concept designed with customer expectations and emotional engagement.

The thesis outcome answered the business problem defined in the first section of the thesis. The final thesis outcome is a re-design customer experience measurement tool proposal, which covers three pillars of customer experience; brand experience, service experience and post-purchase experience. Service Blueprint is the additional outcome from the thesis work.

8.2.2 Reflection and afterword

The customers are the most important source of ideas and reason for re-design. Food retail business in Finland is highly competitive. The company works hard to keep existing customers and to welcome potential customers. Case company opened its first retail food in Helsinki center back in the 90s with the owner's customer-oriented approach. When I did my thesis, I observed the service staff and customers from the kitchen window. End of the shift, I looked at the list of products sold of the day. At home, I surfed on the company's social media to see customer's feedback. I have been doing this as the routine for several months while updating the financial and company performance reviews in company internal resource. I found that the company has been highlighting the launch of new and signature products and promotions. They rarely asked for customer's feedback, except once customer request. They have the Net Promoter Platform in the store but rarely attract customer's attention. Naturally, customer service affects the customer's satisfaction and retention. Based on their routine service and the company's overall performance, the problem is evident that the company is struggling to improve customer experience systematically and measurably. The company needs to implement and innovate the customer experience as part of their service.

The decision to select Lean Service Canvas and contextual interviews were logically the right options in the re-design customer experience measurement tool

since these methods opened the insight to customer's demands. Service design thinking and lean service design are handy tools. It turned my idea to more systematically; step by step. Customers involved in every single levels in Lean Service Canvas from Business objective, Immersion (customer problem/perspective), Data (contextual interview planning), Customer grouping, Customer Insight (Conducting of contextual interview), Ideation (customer's problem worth solving), concept and value proposition (capture value to end-user), profiling the idea, validation, customer engagement process, service blueprint, capture minimum viable products/not feasible to customers). It was an excellent opportunity to discover and learn how to implement the new tool. This knowledge can be applied later in the future project.

The design of the customer experience measurement tool requires continuous updates and implementations. It is well understanding that customer's demands are changing all the time, as well as technology. That is why future state definition was included in the thesis. GAP between the current state and future state were analyzed. The proposal of customer experience measurement tool was designed with flexibility. Point-of-Sale system itself is flexible and able to update without losing the critical stored data, and the backup system is available. As I have been familiar with the point-of-sale in my career, I would recommend the company always to update the features and its capacities. It is interesting to see the paradigm shift of point-of-sale and its advancement. Service design is the combination of idea development and the making of sales, just like innovation. This thesis illustrated how to make customer experience idea alive and guide the company to increase sales as expected.

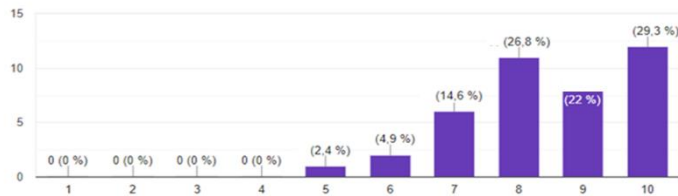
References

- Gurski, D. (2014). *Customer Experiences Affect Customer Loyalty: An Empirical Investigation of the Starbucks Experience Using Structural Equation Modeling*. Hamburg, CA: Diplomica Verlag.
- Klaus, P. (2015). *Measuring Customer Experience : How to Develop and Execute the Most Profitable Customer Experience Strategies*. New York, CA: Palgrave Macmillan Limited.
- Leitner, J. (2018). The Top 5 Reasons Your Customers Don't Provide Feedback. Retrieved from <https://www.touchwork.com/the-top-5-reasons-your-customers-dont-provide-feedback/>
- Marr, B. (2011). *Key Performance Indicators (KPI)*. Financial Times, CA: Prentice Hall
- Marshall, C., & Rossman, G. B. (1989). *Designing Qualitative Research*. Newbury Park, CA: Sage.
- Michelli, J. (2006). *The Starbucks Experience: 5 Principles for Turning Ordinary Into Extraordinary*. CA: The McGraw-Hill.
- Miles, M. B. (1979). Qualitative Data as an Attractive Nuisance: The Problem of Analysis. *Administrative Science Quarterly*. *Business Process Management Journal*, 24(4), 590-601.
- Olenski, S. (2015). *Cost Effective Marketing Strategies for Growing*. Retrieved from <https://www.forbes.com/sites/steveolenski/2015/11/23/7-cost-effective-marketing-strategies-for-growing-a-new-brand/#1c17fba19551>
- Pennington, A. (2016). *The Customer Experience Book: How to Design, Measure, and Improve Customer Experience in Your Business*. CA: Pearson.
- Roberts, B. (2007). *Getting the Most Out of the Research Experience: What Every Researcher Needs to Know.*, CA: Sage.
- Suthar, S. (2019). *5 Brilliant Examples of Customer Relationship Optimization*. Retrieved from <https://acquire.io/blog/customer-relationship-optimization>
- Walden, S. (2017). *Customer Experience Management Rebooted: Are you an Experience Brand or an Efficient Brand*. London, CA: Palgrave Macmillan UK.

Raw Data Collection

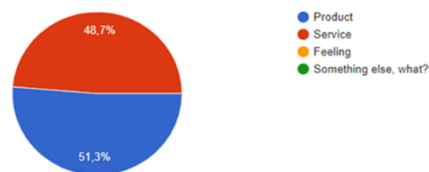
Challenges identified from the current feedback questions:

Would you recommend us based on your visit?



29,3% gave 10 out of 10 score & they want to recommend company to their friends (NPS)

What did we do especially well?



51% of customers said that case company can do especially well with their Products.

49% of customers said that case company can do especially well with their Service.

98% of customers do not need any clarifications on the current feedback content.

72% of customers miss the incentive to give feedback, and recommend that in-

How can we improve our feedback platform?

Area for improvement, any attractive functions like any rewards, discounts after giving feedbacks

Should be more specific on product categories satisfaction

It was good im not sure how to improve it

More categories to choose

Make it more visible with attractive features

I want to share what I don't like also and tell my idea how Fazer can improve

Any other ways to connect? more personal like autonomous social media?

No need

Staffs need to educate that there is this machine.

Feeling is hard to say. Russian language.

Area to improvement option. Any links to social media?

Make it more interesting with features & Rewards. Can we get any gift cards or discounts from giving you

Comments?

I like Product also

I don't want to give feedbacks on this machine

Product and service

Fast

Good chocolate & coffee

And service

And coffee

And service and feeling

And service

Service

Everything good

And Service

Do you need any clarifications on feedback content?

No

I want to say what I don't like

Yes

No I don't

What is feeling?

Not interested

Clear short concise

This is my first time to discover this machine

Language option, what do you mean by feelings?

Short

Have staffs even check my feedbacks?

I want to make complaint about service

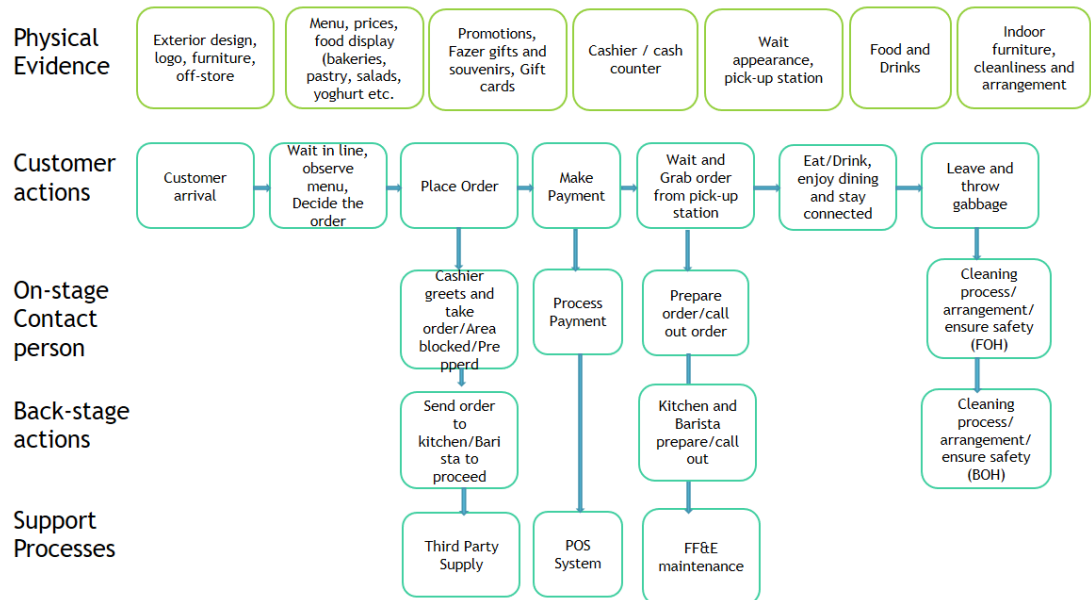
store platform should add more features, like rewards/discounts/royalty point redemption.

45% of customers recommend that Fazer in-store platform should have "Area for improvement" question and Comment box.

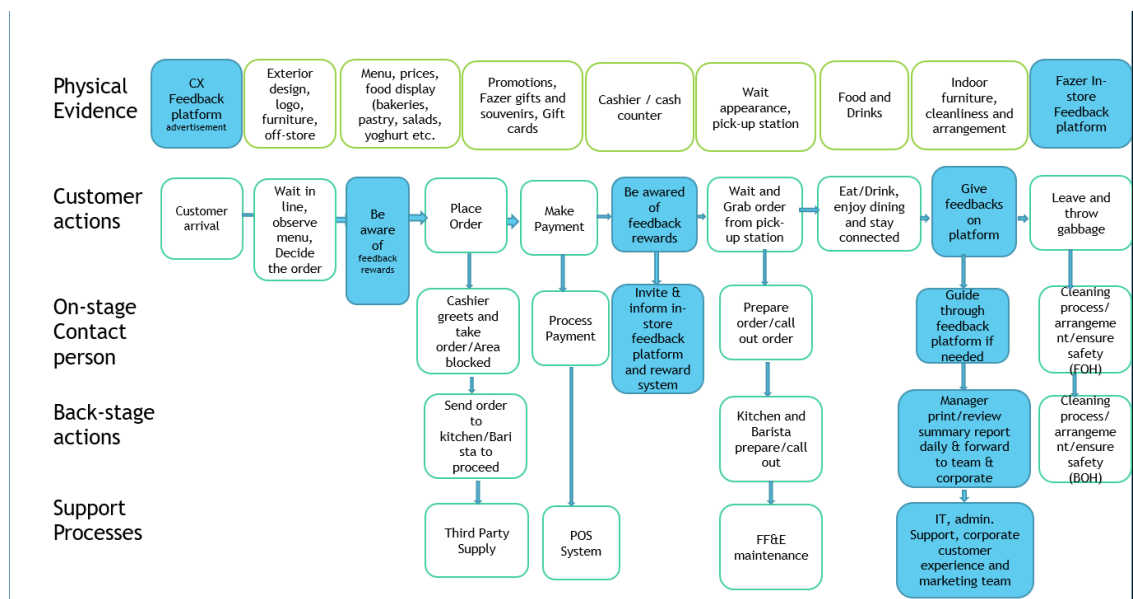
15% of customers recommend that Fazer in-store feedback platform should add interactive function to respond in-time to their complaints.

Appendix 2 Service Blueprint

BEFORE The implementation of New Customer Experience Measurement Tool



AFTER The implementation of New Customer Experience Measurement Tool



Customer Experience Measurement Tool Screen-by-Screen

We listen to your Voice. Share your Fazer experiences and get your Rewards.
#WeListenToYourVoice #RewardForValues

SCAN YOUR RECEIPT HERE

SCAN YOUR FAZER MEMBER HERE

SCAN ME

SCAN ME

PRESS HERE FOR MORE INFORMATION OR CALL OUR STAFF

**WOULD YOU RECOMMEND US
BASED ON YOUR VISIT TODAY?**

1 2 3 4 5 6 7 8 9 10

Unsatisfactory Excellent

1. Welcome to New Customer Experience measurement tool. Customers are invited to scan their receipt or membership card on SCAN ME to access.

2. Net Promoter Scores. Customer rate the tendency to recommend the company to their companions based on their visit.

**WHAT DID WE DO
ESPECIALLY WELL?**

PRODUCT SERVICE (CHOOSE AT LEAST ONE)

COMMENTS?

TOUCH HERE TO WRITE

Speed of Service
Atmosphere
Connectivity
Others, what?

SKIP

**WHAT DID WE DO
ESPECIALLY WELL?**

PRODUCT SERVICE (CHOOSE AT LEAST ONE)

COMMENTS?

TOUCH HERE TO WRITE

Season's Hot Chocolate
Signature Blend
Mango Smoothie
Vanilla Sundae
Red Velvet

SKIP

3. Based on customer's satisfaction and experience, customer selects their favorable PRODUCT and/or SERVICE. Customer feel free to give feedback in comment box.

**WHAT DO WE NEED
TO IMPROVE?**

(CHOOSE AT LEAST ONE)

PRODUCT SERVICE

COMMENTS?

TOUCH HERE TO WRITE

1 Season's Hot Chocolate
1 Signature Blend
1 Mango Smoothie
2 Vanilla Sundae
1 Red Velvet

SKIP

**THANK YOU FOR YOUR FEEDBACK,
YOU WILL GET AN EXTRA REWARD!**

FILL HERE FOR SUBSCRIPTION

INSERT YOUR ACCOUNT HERE

INSERT YOUR ACCOUNT HERE

INSERT YOUR ACCOUNT HERE

INSERT YOUR E-MAIL HERE ***Required***

SHARE

SCAN HERE CUSTOMER CARE

4. Based on customer's satisfaction and experience, customer selects their detractor PRODUCT and/or SERVICE. Customer feel free to give feedback for improvement in comment box.

5. Invitation to subscribe the membership for valuable rewards. Customer can subscribe by their preferred social media options available. E-mail is required for basic reward redemption. Customer Care link is available through QR-code.